

**DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY**801 K STREET, MS 19-01, SACRAMENTO, CALIFORNIA 95814 • (916) 322-4027 • WWW.CALRECYCLE.CA.GOV

August 5, 2010

Maria Villa
Cali Resources, Inc.
2310 Michael Faraday Drive
San Diego, CA 92154

RE: FINAL AUDIT REPORT –CALI RESOURCES, INC. (CEWID 102777)

Dear Ms. Villa:

Enclosed is the final report on the audit of Cali Resources, Inc., regarding the Covered Electronic Waste Recovery and Recycling Program. The audit was planned and performed to determine conformance with the regulations resulting from the Electronic Waste Recycling Act of 2003. The period of review for this audit was January 1, 2008 through December 31, 2008.

No discrepancies were noted during this audit and the enclosed final report is provided for Cali Resources, Inc.'s information.

Please contact Brandon Smith, Auditor, at (916) 324-6850 or brandon.smith@calrecycle.ca.gov with any questions regarding this report.

Sincerely,


Susan R. Villa, Chief
Fiscal Services Branch
Administration and Finance Division

Enclosure

cc: Tom Estes, Deputy Director, Administration and Finance Division, CalRecycle
Jeff Hunts, Manager, E-Waste Branch, CalRecycle
Brian Kono, Manager, Audits and Evaluations, CalRecycle
Brandon Smith, Auditor, Audits and Evaluations, CalRecycle



AN ELECTRONIC WASTE AUDIT

Cali Resources, Inc.

**Electronic Waste Recovery and Recycling
Account**

Final Audit Report

Recycler Payment Claim: Claim 1371

**For the Period January 1, 2008
Through December 31, 2008**

**Prepared By:
Department of Resources Recycling and Recovery
Audits and Evaluations**

August 2010

FINAL AUDIT REPORT

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FINAL AUDIT REPORT

Cali Resources, Inc. (CEWID 102777) Covered Electronic Waste Recovery and Recycling Program

SUMMARY

The Department of Resources Recycling and Recovery (CalRecycle) processed and paid a claim, in the amount of \$172,906.11, submitted by Cali Resources, Inc.(CRI); an electronic waste recycler. The payments issued by CalRecycle are funded by the Electronic Waste Recovery and Recycling Account.

Audits and Evaluations reviewed records related to the appropriateness of expenditures of Electronic Waste Recovery and Recycling Account, for the period of January 1, 2008 through December 31, 2008.

BACKGROUND

CRI, an approved recycler for the Electronic Waste Recovery and Recycling Program, has participated in covered electronic waste (CEW) recovery and recycling since March 7, 2006. CRI's business operations are located at 2310 Michael Faraday Drive, in San Diego, California. CRI accepts and recycles all types of electronics, including CEW, universal waste electronic devices (UWED), motherboards, and scrap copper. CRI is the sister company of Technologies Displays Mexicana, S.A. de C.V., one of the largest CRT/Monitor/Display Device dismantling and glass-to-glass processing facilities in the world. CRI collects and recycles CEW through regularly scheduled pick-ups, pick-ups by appointment, permanent facility drop-off, and special events.

CRI's client base consists primarily of residents, commercial business, and schools and school districts. The Net Cost Report of CRI states 40% CEW recovery from residents and individuals, 26% from commercial business, 18% from institutional and 16% from other non-specified sources.

OBJECTIVE, SCOPE, AND METHODOLOGY

The audit was conducted to determine whether CRI complied with CEW reporting, recordkeeping, and payment requirements, as specified by the California Public Resources Code Section 42460, et seq., and the California Code of Regulations (CCR), Title 14, Chapter 8.2.

The audit scope included, but was not limited to, an evaluation of the integrity of electronic waste recycling claims submitted to CalRecycle for payment, and an assessment of operational and regulatory compliance by the recycler.

The audit was conducted in accordance with *Government Auditing Standards*. The standards require that the audit was planned and performed to obtain sufficient and appropriate evidence to provide a reasonable basis for the finding(s), if any, and conclusion based on the audit objective.

CONCLUSION

CRI was in compliance with the Electronic Waste Recycling Act of 2003 for the audit period of January 1, 2008 through December 31, 2008.

RESTRICTED USE

This report is intended for the information and use of CalRecycle and CRI management. However, this report is a matter of public record and distribution is not limited.